

386A.4-040 Effect of dissociation from a series.

- (1) A person who ceases to be a beneficial owner of a statutory trust shall cease to be associated, as a beneficial owner, with any series thereof.
- (2) A trustee who ceases to be a trustee of a statutory trust shall cease to be associated, as a trustee, with any series thereof.
- (3) A beneficial owner or trustee associated with a series shall have such right to cease being associated with a series as is provided in the governing instrument.
- (4) A person who has dissociated as a beneficial owner associated with a series shall have no right to participate in the activities and affairs of that series and is entitled only to receive the distributions to which that beneficial owner was entitled through the date of dissociation.
- (5) A person's dissociation as a beneficial owner associated with a series does not of itself discharge the person from any debt, obligation, or liability to that series, the statutory trust, or the other beneficial owners that the person incurred while a beneficial owner associated with that series.
- (6) A beneficial owner's dissociation from a series does not of itself cause the beneficial owner to dissociate from any other series or, unless the dissociated beneficial owner was the last remaining beneficial owner associated with the series, require the winding up of the series.
- (7) A beneficial owner's dissociation from a series does not of itself cause the beneficial owner to dissociate from the statutory trust.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 81, sec. 25, effective July 12, 2012.